

PROPOSAL OF PPP TASKFORCE ESTABLISHMENT FOR VIETNAM RICE SECTOR

Nguyen Do Anh Tuan

Hanoi, 30 Oct 2016



Content

- Part 1: Problems of Vietnam rice sector
- Part 2: Proposal of PPP TF establishment for Vietnam rice sector
 - Role, objectives
 - Organization, member
 - Working mechanism
 - Proposed activities

Problems of rice sector (1)

- Production:
 - Small scale production, lack of applying science and technology, lack of information, input problems (over-usage, quality), monocultivation, lack of GAP application
- Post harvest, processing
 - Insufficient dry and storage system, difficult quality control, lack of traceability, deep processing and product diversity, waste by-products
- Market, trade
 - Weak trade promotion, low competitiveness in high quality market, no brand name, lack of attention in domestic market
 - Poor infrastructure and logistic

Problems of rice sector (2)

- Loose linkage value chain, limited role of cooperatives
- VFA
 - Not following market mechanism, using administrative method (export quota, pricing, buying for storage)
 - Focus on export, buying and selling through middle trader
 - Members are mainly large and medium scale, not representing for stakeholders in the value chain
 - Lack of setting up development strategy for rice sector, developing and promoting brand name, developing and stable supply, expanding members
- Limited and weak policies of land consolidation, credit, linkage support, investment support in agriculture

Proposal of PPP TF establishment for Vietnam rice sector (1)

- **Role, objectives**

- Capture and transfer difficult issues in rice chain to policy maker to find out solutions
- Advise and propose to MARD on policy making for sustainable rice value chain development
- Mobilize partners to develop and implement programs/ projects to promote sustainable rice value chain
- Provide, share information, promote trade and PPP, improve stakeholders' capacity in rice sector
- Connect stakeholders in effective way

Proposal of PPP TF establishment for Vietnam rice sector

(2): Organization, members

**Co-chairs: IPSARD,
Bayer**

Public sector:

- DLP, Department of Processing and Trading Agricultural Forestry Aquatic Products and Salt, DPP, National Centre of Agricultural Extension
- ICD, VnSat PMU
- PPC of Dong Thap and An Giang

Private sector:

- Binh Dien Fertilizer JS Company, PetroVN Fertilizer & Chemicals corporation
- Processing machines Bui Van Ngo company,
- Co May JS company, Vinafood2, Loc troi corporation,
- Coopmart, Metro Cash&Carry
- Cooperatives in An Giang & Dong Thap

Others:

- Cuu Long Delta Research Institute, Can Tho University
- Association: VFA, Famer Association
- International organization: GIZ, Crop Life Vietnam, SNV

Proposal of PPP TF establishment for Vietnam rice sector (3): Members' role

Public sector

- Set up objectives and directions, connect to other national key development program;
- Support private sector to access the network of public experts and agencies;
- Generate conducive business environment, attract private investment and enhance linkage between farmers and enterprises;
- Support to policy, land, credit and other administration;
- Link private partners and local institutions through signing MOU, contract with specific role of partners
- Support organization and strengthen capacity of cooperatives and farmer groups
- Support technique and train for farmers
- Monitor and evaluate PPP TF's activities in local area and whole sector

Private sector

- Set up plan/ project and pilot
- Key role in project and pilot model implementation
- Guarantee finance for the projects
- Transfer new technology, provide input and technical support for farmers
- Ensure market through signing contract with farmers' organizations
- Support to monitor and evaluate TF's activities

Others

- Provide information, market forecast
- Consult area selection, plan for projects, pilot models
- Support technical consultant
- Support finance

Proposal of PPP TF establishment for Vietnam rice sector (4)

- **Working mechanism**

- PSAV Office coordinates the TF's activity
- Organize regular meeting biannual or in unexpected situations
- Financial mechanism: mobilize budget from both private and public sector and other sources

- **Proposed activities**

- Improve organization and working mechanism
- Identify difficult issues due to policy and recommend to policy reform
- Set up and implement some PPP projects/pilot models
- Review, recommend policy;
- Reform organization and institution of rice sector
- Develop farmer's organization for sustainable rice production
- Improve technique of sustainable rice production
- Provide services

A photograph of a lush field of rice plants. The rice stalks are tall and green, with numerous golden-yellow panicles (grain heads) hanging down, indicating they are ripe. The background shows a clear sky and some distant trees. The text "Thank you!" is written in a large, black, sans-serif font across the center of the image.

Thank you!